



May 23, 2017

Chairman Ajit Pai
Commissioner Mignon Clyburn
Commissioner Michael O'Rielly
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Rural Health Care Support Mechanism, WC Docket No 02-60
Actions to Accelerate Broadband-Enabled Health Care Solutions, GN Docket No 16-46

Dear Chairman Pai and FCC Commissioners:

Thank you for your support of the Rural Health Care Program. As you recognized in a recent Senate Commerce Committee FCC Oversight hearing, broadband telemedicine is a critical component of addressing the health care needs of Alaskans.

Southcentral Foundation (SCF) is the Alaska Native tribal health organization designated by Cook Inlet Region, Inc. and eleven Federally-Recognized Tribes – the Aleut Community of St. Paul Island, Igiugig, Iliamna, Kokhanok, McGrath, Newhalen, Nikolai, Nondalton, Pedro Bay, Telida, and Takotna – to provide healthcare services to beneficiaries of the Indian Health Service (IHS) pursuant to a contract with United States government under the authority of the Indian Self Determination and Education Assistance Act (ISDEAA) P.L. 93-638.

SCF provides a variety of medical services, including dental, optometry, behavioral health and substance abuse treatment to over 65,000 Alaska Native and American Indian people. This includes 52,000 people living in the Municipality of Anchorage, the Matanuska-Susitna Borough to the north, and 13,000 residents of 55 rural Alaska villages. Our services cover an area exceeding 100,000 square miles. SCF employs nearly 2,000 people to administer and deliver these critical healthcare services.

SCF is a member of the Alaska Tribal Health System (ATHS) which is comprised of 229 Federally Recognized Alaska tribes and tribal organizations who have all contracted with the IHS to carry out the management and administration of federal Indian programs. Collectively, the tribes and tribal organizations form an integrated statewide network with more than 7,000 employees providing services to over 150,000 Alaska Native and American Indian people. Additionally, the ATHS is a critical component of the Alaska Public Health System serving thousands of non-Native people in rural Alaska. We believe Alaska is the only state where all tribes have assumed

such broad responsibility to own and manage our healthcare system and is shining example of how true Indian self-determination can work.

Telemedicine has allowed SCF to dramatically improve access to care, accelerate diagnosis and treatment, avoid unnecessary medivacs and expand local treatment options. It has also helped reduce Medicaid costs. In our region, we rely on satellite transmission circuits. We have utilized this to go electronic with our medical records and telehealth systems. Our primary and specialty clinic support is in Anchorage, Alaska, which is more than 700 miles from our farthest clinic on St. Paul Island. We rely on these network circuits to ensure our patients get the best care possible. Our clinical staff, the primary care doctors and specialty doctors can now see in real time what is being entered into the patients' medical record. This has greatly improved medication management, reduced hospital re-admittance, increased patient safety and brings a sense of security for all who manage the patients' care.

However, the current \$400 million Rural Health Care Universal Service Support budget remains at the initial level set in 1997, despite inflation, advances in technology, and increased demand for services. The Universal Service Administrative Committee also recently announced that it exceeded the funding cap for the current 2016 fiscal year ending June 30, 2017. Applicants that filed during the Sept. 1 - Nov. 30, 2016 filing window will receive a pro-rated percentage, 92.5 percent, of the qualifying funding requested. In our case, that means we will be responsible for paying an additional \$675,000, which we did not budget or anticipate, in addition to the portion of the cost of services that we are already responsible for paying under the rules of the rural health care support mechanism.

We are Indian Health Service and Community Health Clinics, so we cannot raise our service rates to compensate for this increase in costs for our network circuits. This will directly impact our patient programs in cuts to personnel, programs, direct health services. We will have to use Indian Health Service and Health Resources and Services Administration federal grant funds to pay for the increases.


We ask that you take steps to ensure both the near and long-term viability of the Rural Health Care Program to meet the increased demand for telemedicine services both in Alaska and across the country. We believe that the FCC should increase the budget for the rural health care support mechanisms to reflect inflation over the past two decades, as well as increased technology and telecommunications demands due to our HIPAA legal obligations, advances in telemedicine capabilities, changes in patient expectations and standards of care.

In addition, please consider implementing an inflation adjustment mechanism for the future, and short-term measures to restore qualifying funding requests filed Sept. 1 - Nov. 30, 2016 to 100 percent.

Thank you for your support of this important program.

Sincerely,

SOUTHCENTRAL FOUNDATION



Katherine Gottlieb, MBA, DPS
President/CEO

CC:

The Honorable Lisa Murkowski
The Honorable Dan Sullivan
The Honorable Don Young